The University of Rhode Island  
Strategic Budget and Planning Council  
April 5, 2010  
9:00am - 11:00am  
Galanti Lounge - Library

Members/Staff in Attendance:

Members Absent:
David Bedard, Jeff Johnson

See the complete list of member information at the Strategic Budget and Planning Council website at http://www.uri.edu/budget/sbpc.html

Meeting Minutes:

1) Meeting called to order at 9:06 am by Council Chair Don DeHayes.

2) Chair DeHayes called for any additions or corrections to the Minutes from the March 24, 2010 SBPC meeting.
   a) Hearing none, a motion was made, seconded and passed to approve the minutes.

3) FY 10 Budget Update & FY 11 Budget Update by Council Staff Member Linda Barrett (postponed from the March 24, 2010 meeting)
   a) An overview of the FY10 budget timeline was presented, beginning with the FY10 Budget Request (August 2008), FY10 Budget Allocation (Feb 2009), and FY10 Mid Year Review Budget (Fall 2009). It was emphasized that state statute requires the Office of Higher Education to submit the Budget Request to the Governor by October 1st. The timelines can be found at http://www.uri.edu/budget/sbpcdocs.html.
   b) An overview of the budget changes from the FY10 Request through the FY10 MYR was provided.
      i) It was noted that General Obligation Debt Service amounts are provided from the State Budget Office. In the past we have been asked to remove GO Debt Service from the budget submissions, but have been asked to include it in recent submissions. Tuition and fee revenue and other revenue are estimated based on the latest available data and future trends.
      ii) The budget submissions include an unrestricted budget and a restricted budget. Further detail on what constitutes each budget can be found at http://www.uri.edu/budget/sbpcdocs.html.
      iii) Changes from the FY10 Request to the FY10 Allocation, as well as changes from the FY10 Allocation to the FY10 MYR can be found at the SBPC website. http://www.uri.edu/budget/sbpcdocs.html
   c) Discussion ensued on State Appropriation. Chair DeHayes commented on the state’s economic situation in relation to the State Appropriation requested. Council Staff Member Linda Barrett indicated that sometimes we receive a directive from OHE on what to reflect as the State Appropriation request amount. She also emphasized that the council should prioritize their
recommendations as that will assist when the institution has to make adjustments upon notification of changes in funding.

d) Discussion ensued on the restricted budget total. It was noted that $100M is parent/student loans and that Pell grants are included in this total. It also includes Auxiliaries, Enterprises, and Research. The entire listing can be found at the SBPC website. http://www.uri.edu/budget/sbpcdocs.html.

e) An overview of the FY11 Budget timeline and budgets was provided.
   i) The FY11 Budget Request was developed in Summer 2009. The Governor released his recommended FY11 Budget to the Legislature in February 2010. This State Appropriation recommendation was used to build the FY11 Tentative Allocation in February/March 2010. The FY11 Allocation budget should be reflected on the PeopleSoft financial system July 1st or shortly thereafter.

f) Discussion ensued on changes from the FY11 Request to the FY11 Allocation.
   i) Council Staff Member Linda Barrett indicated tuition and fee revenue was projected in the summer of 09 and the projection was refined based on FY10 data. It was noted that on the last page of the handout, the FY11 Tent Alloc column should read (Feb - Apr 10).
   ii) Chair DeHayes emphasized that Financial Aid is the fastest growing piece of the budget and continues to increase as tuition increases. URI has the lowest in-state tuition rate of all New England Land Grants. The market has become more competitive as well, with private schools offering discount rates of 40%, which URI cannot match. As expected, there was an increase in applications as a result of the Common Application. Initially, the University might see softer applicants, so part of the student aid investment is to maintain or increase yield. Council Staff Member Linda Barrett mentioned an increase in the Graduate Differential program, a continued investment in a new award (Founder’s award), and changes to programs such as Hardge and Children’s Crusade that account for a portion of the annual student aid increase in the unrestricted budget. The JAA program represents a very small portion of the total student aid budget at this time.
   iii) Council Staff Member Linda Barrett indicated that although the Governor recommends a specific State Appropriation and a corresponding expense reduction, Higher Education is not obligated to adopt the specific recommended expenditure adjustments.

g) Discussion ensued on State Appropriation, financial aid, and tuition rates relative to the cost of education.
   i) Chair DeHayes indicated that approximately 40% of the student aid budget goes to RI students (across all categories, excluding waivers and graduate assistantships). Council Staff Member Ann Morrissey indicated that although we have grown Student Aid, we still lag behind in terms of discount rate. Continually increasing student aid in proportion to tuition is not sustainable. Chair DeHayes mentioned productivity savings as well.
   ii) Vice Chair Weygand discussed how URI State Appropriation has been reduced by $24M from FY07 thru FY10 MYR.
iii) There was a general discussion on State Appropriations at other institutions. Unlike Rhode Island, some State Appropriations are formula funded. Comparative information on State Appropriation was requested.

iv) While being efficient and making the budget sustainable, we must continue to focus on access and quality. Chair DeHayes reinforced the focus on quality.

v) A discussion on seeking student aid from private family foundations ensued. The University made a strategic decision in 2006 to pursue these foundations and relationships are being cultivated.

4) Review of Budget Principles - Continuation from March 24th meeting
   Note: Specific revisions discussed will be reflected in Draft 3 of the budget principles.
   a) Chair DeHayes reminded that the Council will operate with the use of consensus. If there is not a clear consensus, majority rules and the Chair will not vote unless there is a tie.
   b) Discussion ensued about the Budget Principles
      Note: specific wording changes to the Budget Principles will be reflected in Draft 3 of the budget principles.

5) Comparative Data
   a) Vice Provost Cliff Katz provided historic information on Faculty, including Faculty FTE and Faculty to Student Ratios.
   b) Freshman application, enrollment, and yield data by college and residency was prepared by Dean Libutti and distributed by Council Staff Member Ann Morrissey.
   c) Council Staff Member Linda Barrett provided a historic FFTE (Financial Full Time Equivalent) enrollment chart. FFTE includes all students who have been billed—undergraduate and graduate, as well as full-time and part-time converted to full-time.
   d) Discussion ensued regarding freshman application data (it was noted that the yield column displayed a decimal and that it should be converted to a percentage).
      i) Chair DeHayes noted that we are using data by college, financial aid, and better meeting student requests for first choice major to more strategically yield this year’s class.
      ii) Chair DeHayes addressed freshman deposits. When looking at a date to date comparison with last year, we are not in the same financial aid/admissions stage that we were in last year. With more applications this year, it has taken longer to get through the review process. A week or so after May 1st we should have a better handle on the freshman class. We must also remember to look at returning students. We need to continue to focus on quality and giving students their first choice major during the admissions process.
   e) It was suggested that footnotes be used when looking at longitudinal data for historical comparison, such as student administrative/admission decisions. Chair DeHayes indicated the emphasis on history is not the critical piece. Ray Wright indicated that the Offices of the Provost and Admissions have worked closely with the colleges to bring in students.
   f) Chair DeHayes indicated that the Pharmacy and Nursing programs have limited enrollment. Changes will be made to accommodate increased interest, such as additional faculty positions. Clinical rotations are an expensive part of these programs.
The question arose as to how Admissions structures its budget priorities, how much recruitment costs, the use of temporary recruiters, and other ways the budget is spent. It was noted that the success of liberal arts students on professional exams should be marketed to parents. Chair DeHayes indicated that Admissions has eliminated the “Road Runners” and has moved to a permanent staff. He suggested Cheryl Foster meet with Cindy Bonn and Dean Libutti as this topic might be beyond the purview of the Council.

Council Staff Member Ann Morrissey suggested discussions on key topics that are tied in with budget and planning (ie- comparative State Appropriation data, enrollment/financial aid/yield, comparative staffing data, retention/graduation data).

Discussion ensued on the faculty data. Chair DeHayes discussed URI’s goal of a 16-16.5:1 student faculty ratio. The ratio calculation is based on the IPEDS definition of credit hours taught to students enrolled. Members should meet with Cliff Katz on specific questions related to student teacher ratio.

6) Council Priorities
   a) It was stressed that the Council will determine priorities based on the Academic Plan. Each division will present to the Council a document with the requests for their division, reflecting the link to the priorities in the Academic Plan and the Division’s mission. The Council will recommend funding priorities, but will need benchmarking data to do so.
   b) The Council should become familiar with the Academic Plan.
   c) Council Staff Member Linda Barrett indicated there are seven divisions that must present to the Council. There are three meetings prior to the June 2nd meeting. The Council is slated to make recommendations to the President in June. Chair DeHayes suggested another meeting as some divisions do not have an existing plan. The division statements are due by May 1st.

Meeting Adjourned at 11:17am.

Information Requested:
1) The change of administration and staff positions by FTE (Full-time Equivalent) over the last 3 years by functioning group, if possible, as well as the change in the number of students over same time-period. (To supplement information supplied for tenure-track faculty by division)

Required Action:
1) Chair DeHayes requested that the Council members send all comments on the first seven budget principles to Council Staff Member Ann Morrissey.
2) Council Staff Member Ann Morrissey will distribute a draft of the budget principles which incorporate the Council member’s inputs.
3) Council Staff Member Ann Morrissey will send comparative information to the Council members on State Appropriation, tuition discount rates, and full-time/part-time faculty (Delaware Study).
4) Council members should contact Council Staff Member Ann Morrissey if interested in holding a session on the Faculty/Student ratio information distributed at today’s meeting.
5) Council members should become familiar with the University's Academic Plan.

Next Meeting Date:
April 26, 2010 from 9:00am to 11:00am in the Galanti Lounge, 3rd Floor, University Library

Next Meeting Agenda:

1) Approval of April 5, 2010 Minutes
2) Divisional Budget Presentations process & dates for committee review
3) Financial Aid: Current and Future Needs
4) Enrollment Planning and Retention: Financial implications
5) URI three-year FTE staff data comparison